

§ 363.132

§ 363.132 Can the sale of the certificate of indebtedness be suspended?

The Secretary may suspend and rescind the suspension of sales of the certificate of indebtedness by announcement at any time.

§ 363.133 What happens to my certificate of indebtedness if the offering is terminated by the Secretary?

Upon the termination of this offering by the Secretary, the certificate of indebtedness ceases to roll over; the proceeds will be paid by the ACH method to the bank account at a financial institution that you designated in your New Treasury Direct account as your primary bank account.

§ 363.134 What regulations cover a certificate of indebtedness?

The regulations in part 363 apply to a certificate of indebtedness. We expressly disclaim representations or warranties regarding a certificate of indebtedness that in any way conflict with these regulations and other applicable law.

§ 363.135 In what form is a certificate of indebtedness issued?

A certificate of indebtedness is issued in electronic form only in the New Treasury Direct system.

§ 363.136 Do certificates of indebtedness pay interest?

Certificates of indebtedness do not pay any interest. However, the Secretary may prescribe a rate of interest, or change the interest rate, for certificates of indebtedness by announcement at any time. The new rate would apply to certificates of indebtedness issued thereafter, as provided in the announcement. The Secretary's determination of the rate will be final.

§ 363.137 What do I need to know about the registration of a certificate of indebtedness?

A certificate of indebtedness is automatically registered in the single ownership form of registration in the New Treasury Direct account owner's name.

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§ 363.138 How do I purchase a certificate of indebtedness?

You may purchase your certificate of indebtedness through one or more of the following four methods:

(a) payroll deduction, in which your employer sends funds through the ACH method to your New Treasury Direct account;

(b) deposit by your financial institution, in which your financial institution sends funds by the ACH method to your New Treasury Direct account on a recurring or one-time basis;

(c) through the Buy Direct function of your New Treasury Direct account, in which you direct us to debit funds from your account at a financial institution to purchase a certificate of indebtedness. This method is limited to no greater than \$25 per transaction; or

(d) by using the proceeds from the redemption or interest payment of a security to purchase a certificate of indebtedness.

§ 363.139 Is Treasury liable for the purchase of a certificate of indebtedness that is made in error?

We are not liable for any deposits of funds for the purchase of a certificate of indebtedness that are made in error by your financial institution or employer.

§ 363.140 When is a certificate of indebtedness issued?

A certificate of indebtedness is issued the business day after the purchase transaction is made.

§ 363.141 How do I purchase a security using the redemption proceeds of my certificate of indebtedness?

You may purchase an eligible security by redeeming all or a portion of your certificate of indebtedness and applying the proceeds toward the purchase of another eligible security. To do this, your certificate of indebtedness must be of sufficient value to cover the cost of the security. If you are paying for a security using the redemption proceeds of a certificate of indebtedness, you must pay the full amount of the purchase price of the security using the redemption proceeds.